

STATEMENT OF PURPOSE

RS29520 / S1303

This legislation deals with the allocation of property tax revenue in an urban renewal district. Currently, upon creation of the district, the base value is frozen for tax distribution purposes for most taxing districts. This freeze continues for the life of the district which can be up to 20 years. The intent of the legislation is to recognize that local taxing districts need at a minimum, a cost-of-living adjustment to pay for increased services caused by new growth. This legislation would provide that five percent of any increment value be added to the base with the urban renewal district receiving ninety-five percent of that increment assessed value.

FISCAL NOTE

Because this legislation applies only to districts created on or after July 1, 2022, it will have no fiscal impact to districts currently in place. For bonding or revenue projection purposes going forward, urban renewal districts can craft their business plan sensitive to these new parameters.

Contact:

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).